

## SENATE RULES REFORM

We are going to continue to work on Senate rules reforms. I will continue to work with the Republican leader on a package of reforms I hope we can agree on. As I have said before, if we don't agree, then we are going to do something as a Democratic caucus alone. I remain cautiously optimistic we will be able to move forward on a bipartisan basis. I hope we can do that. I will have more to say about that if, in fact, we can do that.

We are not going to get everything we want, and the Republicans aren't going to get everything they want. But maybe we can find a sweet spot in the middle and come up with something that will make the Senate more efficient. However, Democrats reserve the right of all Senators to propose changes to the Senate rules. We will explicitly not acquiesce in the carrying over of all the rules from last Congress. There must be some agreement reached or we will have to use every means to make the Congress—especially the Senate—more efficient.

Would the Chair announce the business of the day.

## RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

## MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business for debate only until 12 noon, with Senators permitted to speak therein for up to 10 minutes each.

Mr. REID. Madam President, I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COATS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## FISCAL POLICY

Mr. COATS. Madam President, earlier this week, through the eyes of the Nation watched the inauguration ceremony here in Washington. A week before that, back in Indiana, I was present for the celebration of the inauguration of Indiana's 50th Governor, former Congressman Mike Pence, who is taking over after 8 years of leadership under our former Governor, Mitch Daniels. So back-to-back weekends had two special events.

Inauguration ceremonies are a time for reflection on what has happened in the past and a time for new vision on how we ought to go forward with the future. It is also a time for new oppor-

tunity. An opportunity for the kind of change necessary to address the problems and challenges we face.

As I participated in the inauguration events for Governor Pence in Indianapolis just two weekends ago, I couldn't help but think of the remarkable record of achievement and the bold reforms that our former Governor, Mitch Daniels, delivered to the Hoosier State and the lessons they may offer to Washington.

In 2005, Indiana faced a several-hundred-million-dollar deficit. This pales by comparison to the deficit we face here; but, nevertheless, for a State of our size it is a significant amount. Although it is constitutionally mandated in Indiana, we had not balanced our budget for 7 years. Governor Daniels and his team had a vision and the political courage to make much needed changes, and the people of Indiana supported and responded. While other States increased spending and raised taxes, Indiana reduced spending, cut taxes, and paid down our debts.

Governor Daniels, with the help of the legislature and with the support of the people of Indiana, slowed down the rate of spending. The State's expenditures have grown at less than one-quarter the rate of the previous decade. We also reduced the size of State government.

Indiana has the fewest State employees per capita in the country. We paid down the previous debt by 43 percent, and we currently sit with a budget surplus and a rebate program which will give money collected in taxes back to the taxpayer because of our state's efficiency and effectiveness in terms of running our government. Indiana, as a result of this, has received its first AAA credit rating. This means when we do need to borrow or sell bonds to do certain infrastructure or meet other needs, we can receive low interest rates because of our superb AAA rating. All this has transformed Indiana's balance sheet and made our State one of the most attractive places to live, raise a family, and do business in the Midwest, if not in the Nation.

The story of Indiana and how it got hold of its fiscal issues has been written up in national journals and newspapers and documentaries and others. It is a remarkable story. It is not unique because we see these things happening in other States around the country led not only by Republican Governors but Democrat Governors. These are the kinds of decisions that have to be made and are being made to restore state and local governments. And it has created a much brighter future for the citizens of those States.

Governor Daniels has often said, "You'd be amazed by how much government you'll never miss." The results of his administration back that up.

You can go around Indiana, as I have, and talk to people from big cities to small, rural to urban and everything in between and ask them how we have

moved from deficit to surplus in our state. You can ask if they still believe our state performs the necessary functions of government and you can ask Hoosiers what has been cut that you think should have stayed.

Frankly, no one could come up with an answer that says: We have had disastrous consequences from these decisions. The vast majority say that things are working pretty well. In fact, I can get my license renewed through a total revamp of our licensing system in just a few minutes over the Internet or just a few minutes at the DMV. Governor Daniels' measure for that was in and out in less than 7 minutes.

For those of us who have spent hours and hours committing half a day or more to getting our license renewed, this is a remarkable achievement. The use of technology, privatization, and the use of more efficient government demands that our civil servants do more with less and this has proven to be effective.

While the fiscal situation we faced in Indiana is not totally analogous to what we face here, the principles are the same, and there still are many similarities. As Washington seeks answers at the start of this new session of Congress on how we move forward and address our extremely serious debt situation and get our fiscal house back in order so that we too can retain a AAA rating and so we too can provide the opportunity for growth and opportunity not just for the middle class but for all Americans in the future, maybe there are some lessons to be learned from Indiana. The spend less, borrow less, and tax less Hoosier model has resulted in balanced budgets, job creation, and a AAA credit rating. In contrast, the spend more, borrow more, and tax more approach in Washington during these last several years has resulted in fewer jobs, higher debt, and a threatened downgrade from credit agencies.

So as we reflect back on the last 4 years of this current administration, it is clear to me we must take a different course in the second term of this administration.

Whether lawmakers want to admit it, the crux of our problem is this: Washington has promised Americans far too much and committed well beyond our means. Federal spending and borrowing cannot continue at this current pace without dire consequences.

Whether one is reading or listening to a liberal, conservative or a non-partisan economist or an analyst, there is a consensus that sustaining our current rate or continuing our rate of borrowing and spending simply is not feasible and the consequences will be dire if we do not address it.

As we seek to address these issues, my suggestion for Washington is to take a look at the Hoosier model. It is tested, it is proven, and it is working.

We need to go big and bold. We need to have the political courage to look beyond the short-term political consequences, as we perceive them, to the

long-term benefit from sound policies—which, interestingly enough, translate into good politics. Strengthening the economy and getting our country on a track to brighter and more prosperous times should be our priority.

We have proven in Indiana that good policy, no matter how politically difficult it might seem at the time to achieve, does translate into good politics. But much more important than the politics, good policy can translate into strengthening our economy, improving the lives of Americans, and providing opportunity for future generations.

It is time we learn that lesson in Washington that our State of Indiana and many States across the country, as well as other communities, are learning. It is time we exhibit the political courage to stand and do what I think just about everyone in this body understands; that is, to get a hold of runaway spending and borrowing that is putting us in a very deep fiscal hole and will have significant, dire consequences not only on future generations but even our current generation.

The time is now. As I said from this spot yesterday, 2013 is the decisive year. In 2014, we will be back into an election year, and that tired old belief that we cannot make these kinds of changes with the election looming will surface again. If we don't act now, more people will say that we need to wait until after the next election. It will push us into 2015. Many who have looked at our situation fiscally and analyzed it from a nonpartisan, non-ideological basis have said 2015 is too late.

This is the time when we need to summon our courage, summon our political will, and do what is right for the American people. We cannot continue to bump along at less than 2 percent growth. We cannot continue to keep more than 8 percent or nearly 8 percent of our people unemployed; and, obviously, that number is much higher when we count those who are no longer looking for work who have given up. We cannot continue to keep America on the edge of uncertainty in terms of what our fiscal future will look like.

Let us summon that courage to go forward. Let us use examples from those States, the support of those Governors and the support they have received from people across those States. Let us summon the courage to do what we need to do.

I want to continue talking about how we need to address this with a “go big, go bold” type of approach. Everyone says and concludes that if we can put that package together to address our long-term ills over a period of time and bring us back to balance and stability, we will see a revival of the economy of this country and we will see great hope for the American people going forward.

Madam President, with that, I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERTS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERTS. I ask the Acting President pro tempore if we are in morning business, and I assume we are.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. ROBERTS. Thank you, Madam President.

(The remarks of Mr. ROBERTS pertaining to the submission of S. Res. 8 are printed in today's RECORD under “Submitted Resolutions.”)

Mr. ROBERTS. I yield back the remainder of my time, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MCCONNELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

#### FISCAL RESPONSIBILITY

Mr. MCCONNELL. Madam President, President Obama may have been vague on details in his inaugural speech on Monday, but I will give him this, he couldn't have been clearer about the tone and the direction he has in mind for the second term. Gone is the postpartisan rhetoric that propelled him onto the national stage and into the White House. In its place is an unabashedly leftwing appeal for more bureaucratic control and centralized power here in Washington.

On Monday, we saw a President and a party that appeared to have shifted into reverse and jammed on the gas. For Democrats in the Obama age, the era of big government being over is officially over. And anybody who disagrees with their approach isn't just wrong, they are not just standing in the way of progress, they are malevolent, they are the bad guys, they are the ones who want to take food away from children, they want the old and the infirm to suffer, they want to choose between caring for the people who built this country, as the President put it on Monday, and investing in those who will build our future.

I don't know if the President buys all this stuff; I don't know if he believes his own caricature—I certainly hope not—but one thing I do know is that questioning the intentions of one's political opponents makes it awfully hard

to get anything done in a representative democracy. As the President himself said, without so much as a hint of irony, we cannot mistake absolutism for principle or substitute spectacle for politics or treat name calling as reasoned debate.

The President won the election. I congratulate him on his victory. It is his prerogative to lay out an agenda and to make an argument—against all evidence—for the efficacy of big government, more Washington spending, and centralization. It is even his prerogative to argue—mistakenly, in my view—that America's greatness somehow rests not on its communities and voluntary associations, its churches and charities, on civil society, but instead on the dictates of Washington. But to suggest that those of us and our constituents who believe otherwise don't want the best interest of our parents or our children or our country's future is, at best, needlessly provocative; at worst, it suggests a troubling inability to view those who don't happen to share your opinions as beneath you.

To suggest, as one of the President's spokesmen did earlier this week, that both the American political system and those who belong to the party of Lincoln aren't worthy of this White House or its agenda isn't the way to get things done. It makes it impossible to tend to problems we simply have to face up to and that we will only solve together. Frankly, it calls into question the President's own belief in the wisdom and the efficacy of the constitutional system of checks and balances that the Founders so wisely put in place.

The postinaugural period is usually a chance to pivot to governing after a long campaign. It is an opportunity for Presidents to reach out to the minority and to forge compromises. But that is not what we are seeing this time around. Even before Monday we all noted the harsh change in tone, the reboot of the campaign machine, and how, instead of offering an olive branch to those who disagree with him, the President had already decided to transform his campaign operation into a weapon to bulldoze anyone who doesn't share his vision. Well, I would suggest that one thing the American people don't want is a permanent campaign. That is the last thing the American people are looking for—a permanent campaign. They want us to work together on solutions to our problems. And deficits and debt are right at the top of the list.

I wish to suggest this morning the President rethink the adversarial tone he has adopted in recent weeks. Our problems are simply too urgent and too big for the President to give up on working with us. I appeal to him once again to work with us on the things we can achieve together, and let us start with the deficit and the debt. Because the only way we will be able to tackle these problems is by doing it together.